


STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING				FORM 3 AMENDED REPORT <input checked="" type="checkbox"/>		
<b>APPLICATION FOR PERMIT TO DRILL</b>				<b>1. WELL NAME and NUMBER</b> Holdaway 922-17A3D SWD		
<b>2. TYPE OF WORK</b> DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>				<b>3. FIELD OR WILDCAT</b> NATURAL BUTTES		
<b>4. TYPE OF WELL</b> Water Disposal Well Coalbed Methane Well: NO				<b>5. UNIT or COMMUNITIZATION AGREEMENT NAME</b>		
<b>6. NAME OF OPERATOR</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.				<b>7. OPERATOR PHONE</b> 307-752-1169		
<b>8. ADDRESS OF OPERATOR</b> P.O. Box 173779, Denver, CO, 80217				<b>9. OPERATOR E-MAIL</b> Laura.Gianakos@anadarko.com		
<b>10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)</b> Fee		<b>11. MINERAL OWNERSHIP</b> FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>		<b>12. SURFACE OWNERSHIP</b> FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>		
<b>13. NAME OF SURFACE OWNER (if box 12 = 'fee')</b> Kerr-McGee Oil & Gas Onshore LP				<b>14. SURFACE OWNER PHONE (if box 12 = 'fee')</b> 720-929-6000		
<b>15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')</b> 1099 18th Street, Suite 1800, Denver, CO 80202				<b>16. SURFACE OWNER E-MAIL (if box 12 = 'fee')</b>		
<b>17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')</b>		<b>18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS</b> YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>		<b>19. SLANT</b> VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>		
<b>20. LOCATION OF WELL</b>	<b>FOOTAGES</b>	<b>QTR-QTR</b>	<b>SECTION</b>	<b>TOWNSHIP</b>	<b>RANGE</b>	<b>MERIDIAN</b>
<b>LOCATION AT SURFACE</b>	996 FNL 694 FEL	NENE	17	9.0 S	22.0 E	S
<b>Top of Uppermost Producing Zone</b>	996 FNL 694 FEL	NENE	17	9.0 S	22.0 E	S
<b>At Total Depth</b>	996 FNL 694 FEL	NENE	17	9.0 S	22.0 E	S
<b>21. COUNTY</b> UINTAH		<b>22. DISTANCE TO NEAREST LEASE LINE (Feet)</b> 694		<b>23. NUMBER OF ACRES IN DRILLING UNIT</b> 0		
		<b>25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)</b> 1000		<b>26. PROPOSED DEPTH</b> MD: 2083 TVD: 2083		
<b>27. ELEVATION - GROUND LEVEL</b> 4739		<b>28. BOND NUMBER</b> 22013542		<b>29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE</b> Permit #43-8496		
<b>ATTACHMENTS</b>						
<b>VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES</b>						
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER			<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN			
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)			<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER			
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)			<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP			
<b>NAME</b> Danielle Piernot		<b>TITLE</b> Regulatory Analyst		<b>PHONE</b> 720 929-6156		
<b>SIGNATURE</b>		<b>DATE</b> 05/27/2010		<b>EMAIL</b> gnbregulatory@anadarko.com		
<b>API NUMBER ASSIGNED</b> 43047510990000		<b>APPROVAL</b>  Permit Manager				

Proposed Hole, Casing, and Cement						
String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Surf	8.75	7	0	1783		
Pipe	Grade	Length	Weight			
	Grade J-55 LT&C	1783	23.0			

**HOLDAWAY 922-17A3D SWD  
NE/NE SEC. 17 T9S R22E  
UINTAH COUNTY, UTAH**

**ONSHORE ORDER NO. 1**

***DRILLING PROGRAM***

**1. Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1600'
Base of Upper Confining	1803'
Top of Lower Confining	2083'
TD	2083'
Top of Mahogany	2432
Base of the Mahogany	3309'
Base of USDW	4700'

**2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1600'
Water	Base Upr Confining (aka Birds Nest)	1803'
Water	Top of Lwr Confining	2083'
Gas	N/A	
Minerals (oil shale)	Mahogany	2432'

**3. Pressure Control Equipment (Schematic Attached)**

*Not Applicable. Please refer to the attached Drilling Program.*

**4. Proposed Casing & Cementing Program:**

*Please refer to the attached Drilling Program.*

**5. Drilling Fluids Program:**

*Air Mist/Aerated Water. Please refer to the attached Drilling Program.*

**6. Evaluation Program:**

*Please refer to the attached Drilling Program.*

**7. Abnormal Conditions:**

*None Anticipated.*

**HOLDAWAY 922-17A3D SWD UIC PERMIT APPLICATION**

**ATTACHMENT M1**

**8. Anticipated Starting Dates:**

*Drilling is planned to commence immediately upon approval of this application.*

**9. Variances:**

*Please refer to the attached Drilling Program.*

**10. Other Information:**

*Please refer to the attached Drilling Program.*





## KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP	DATE	July 26, 2010
WELL NAME	Holdaway 922-17A3D SWD	TD	2,083' MD/TVD
FIELD	Natural Buttes	COUNTY	Uintah
SURFACE LOCATION	NE/NE SEC. 17, T9S, R22E	STATE	Utah
	996'FNL, 694'FEL	ELEVATION	4,739' GL KB 4'
	Latitude: 40.040522 Longitude: 109.456906	BHL	Straight Hole
OBJECTIVE ZONE(S)	Green River (Bird's Nest)		
ADDITIONAL INFO			

GEOLOGICAL				MECHANICAL		
LOGS	FORMATION	TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
			40'		14"	
Catch water sample, if possible, from 0 to			2,083'			
Formation Tops		Depth				
Uinta		Surface		8-3/4"	7", 23#, J55, LT&C	Air mist
Green River		1600				Aerated water
Base of Upper Confining Zone		1803				
Top of Lower Confining Zone		2083				
TD		2083				
Base of Lower Confining Zone		2167				
Top of Mahogany		2432				
Base of the Mahogany		3309				
Base of USDW		4700				
	Green River @	1,600				
	7" casing @ ±	1,783				
	Base of Upper Confining (AKA Bird's nest)	1,803				
	6 1/4" open hole	>>>: >>		6-1/4" Open hole		
	Top of Lower Confining @	2,083				
	TD of Well	2083 MD				

Either open hole or cased hole logs will be run f/TD - surface

Max anticipated  
Mud required  
8.4 ppg





## KERR-McGEE OIL & GAS ONSHORE LP

### DRILLING PROGRAM

#### CASING PROGRAM

CONDUCTOR

SURFACE

					DESIGN FACTORS		
SIZE	INTERVAL	WT.	GR.	CPLG.	BURST	COLLAPSE	TENSION
14"	0-40'						
					4360	3270	284000
7	0 to 1,783	23.00	J-55	LTC	9.65	3.35	4.32

#### CEMENT PROGRAM

	FT. OF CMT	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
LEAD	983	Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOC	100	40%	12.00	2.24
TAIL	800	Class "G" + 2% CaCl + .25 pps celloflake	150	40%	15.80	1.17
TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.80	1.17

#### FLOAT EQUIPMENT & CENTRALIZERS

SURFACE

Guide shoe, 1 jt, insert float. Centralize first 3 joints and every third joint to surface.  
Thread lock guide shoe, shoe joint, float collar and joint on top of float collar.

#### ADDITIONAL INFORMATION

Drilling will be done utilizing a small air rig. An air hammer will be utilized. Air rig to drill to 1842', run logs, then cement casing, and then RDMOL so a air rig or workover rig can come in later and drill the open hole section after WOC.

No BOPE will be utilized other than a rotating head as there is no potential for hydrocarbons. This type of equipment drills all of our existing surface casing presets for our typical Wasatch/Mesaverde development.

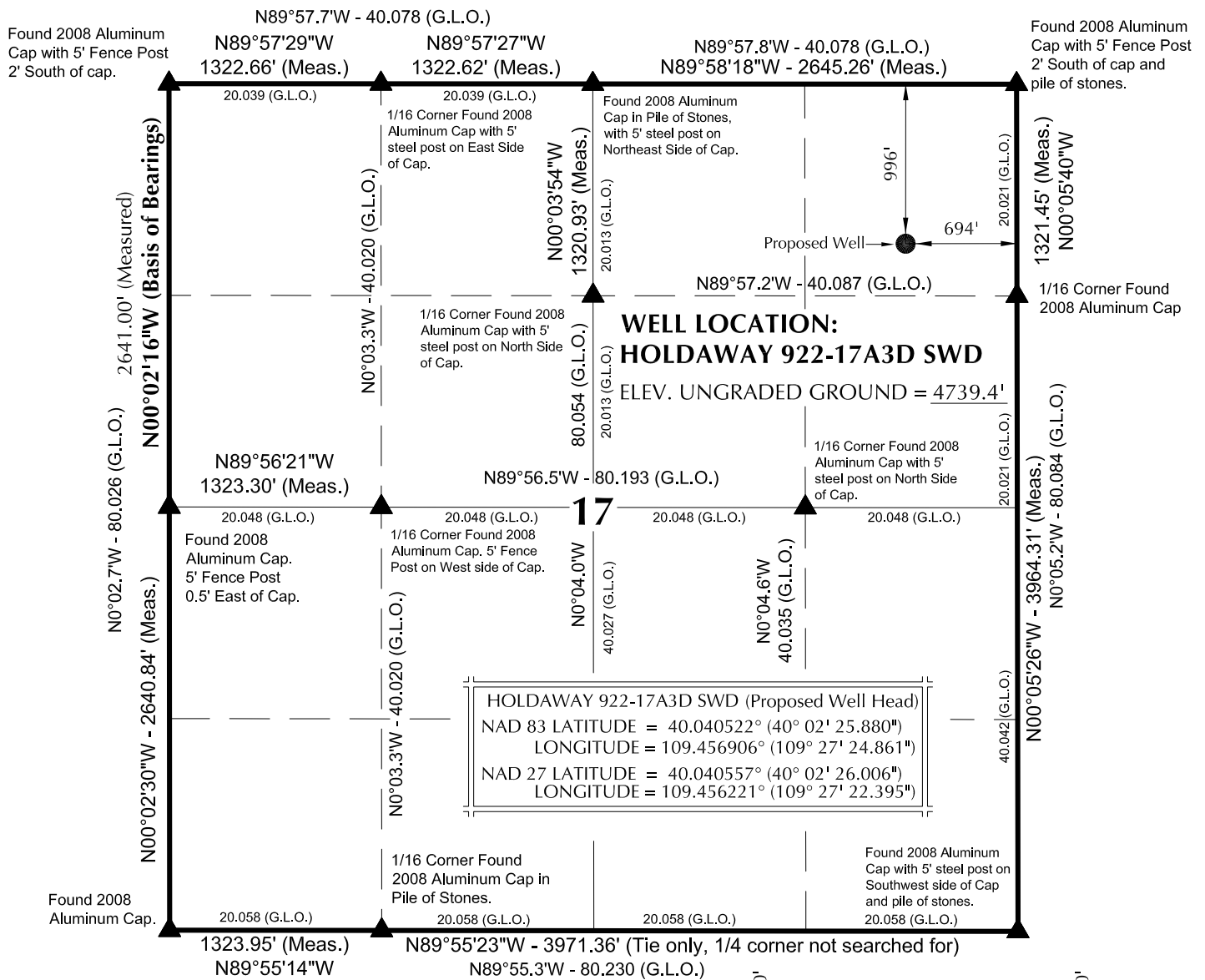
ENGINEER:

Robert Miller

DATE:

DRILLING SUPERINTENDENT:

DATE:

**T9S, R22E, S.L.B.&M.****NOTES:**

- ▲ = Section Corners Located
- 1. Well footages are measured at right angles to the Section Lines.
- 2. G.L.O. distances are shown in feet or chains.  
1 chain = 66 feet.
- 3. Bearings are based on Global Positioning Satellite observations.
- 4. Basis of elevation is Tri-Sta "Two Water" located in the NW  $\frac{1}{4}$  of Section 1, T10S, R21E, S.L.B.&M. The elevation of this Tri-Sta is shown on the Big Pack Mtn NE 7.5 Min. Quadrangle as being 5238'.

**SURVEYOR'S CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

PROFESSIONAL LAND SURVEYOR  
REGISTRATION NO. 6028691  
STATE OF UTAH

**Kerr-McGee Oil & Gas Onshore, LP**  
1099 18th Street - Denver, Colorado 80202

**WELL PAD - HOLDAWAY 922-17A3D SWD**

**HOLDAWAY 922-17A3D SWD**  
**WELL PLAT**  
**996' FNL, 694' FEL**  
**NE  $\frac{1}{4}$  NE  $\frac{1}{4}$  OF SECTION 17, T9S, R22E,**  
**S.L.B.&M., UTAH COUNTY, UTAH.**



**609 CONSULTING, LLC**  
371 Coffeen Avenue  
Sheridan WY 82801  
Phone 307-674-0609  
Fax 307-674-0182

**TIMBERLINE**

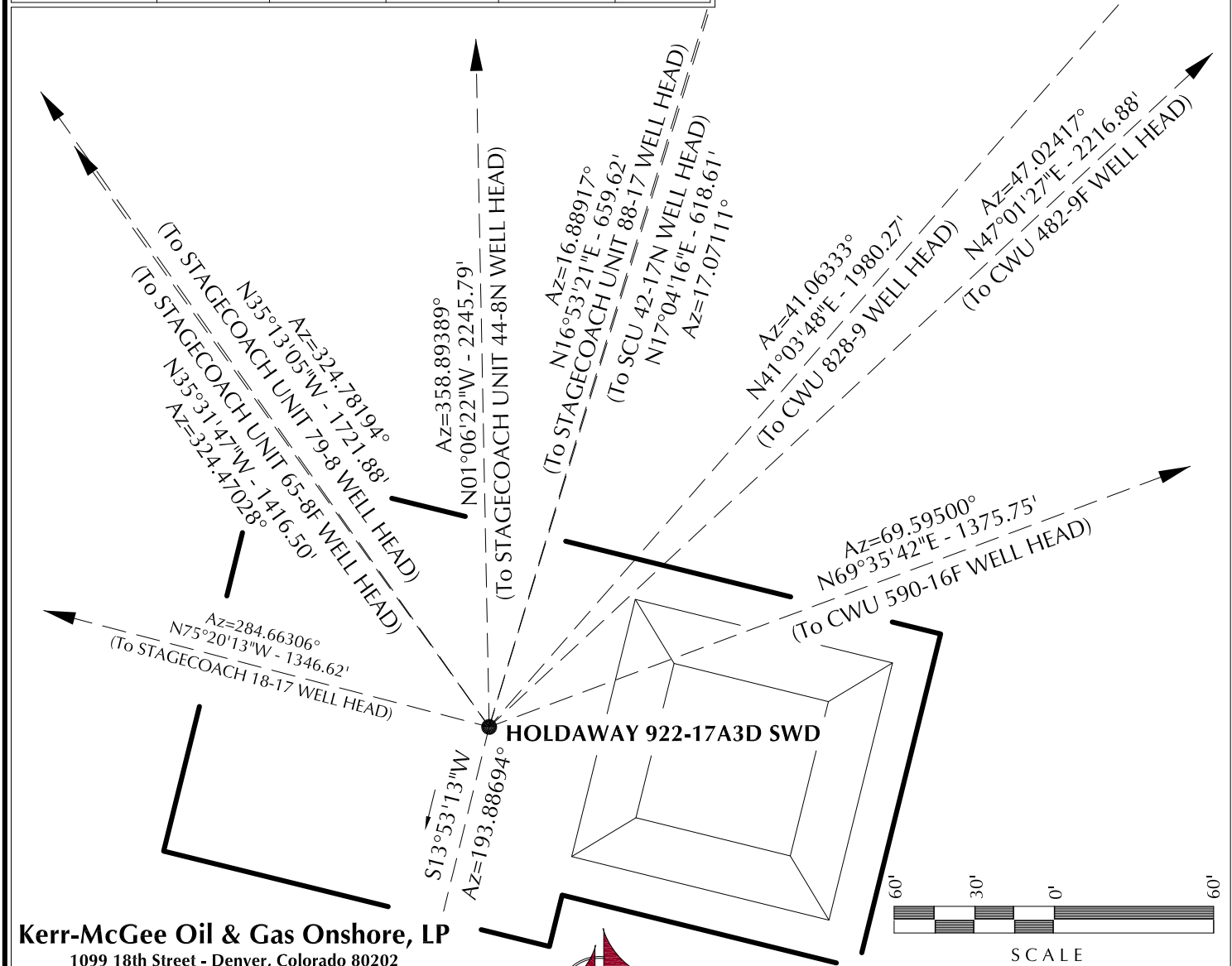
ENGINEERING & LAND SURVEYING, INC.  
209 NORTH 300 WEST - VERNAL, UTAH 84078

(435) 789-1365

DATE SURVEYED: 03-24-10	SURVEYED BY: M.S.B.	SHEET NO: <b>1</b> 1 OF 11
DATE DRAWN: 03-25-10	DRAWN BY: M.W.W.	
SCALE: 1" = 1000'	Date Last Revised:	

WELL NAME	SURFACE POSITION				
	NAD83		NAD27		FOOTAGES
	LATITUDE	LONGITUDE	LATITUDE	LONGITUDE	
<b>HOLDAWAY 922-17A3D SWD</b>	40°02'25.880"	109°27'24.861"	40°02'26.006"	109°27'22.395"	996' FNL
	40.040522°	109.456906°	40.040557°	109.456221°	694' FEL
<b>STAGECOACH 18-17</b>	40°02'29.248"	109°27'41.607"	40°02'29.375"	109°27'39.140"	656' FNL
	40.041458°	109.461557°	40.041493°	109.460872°	1996' FEL
<b>STAGECOACH UNIT 88-17</b>	40°02'32.115"	109°27'22.397"	40°02'32.242"	109°27'19.931"	364' FNL
	40.042254°	109.456221°	40.042289°	109.455536°	502' FEL
<b>SCU 42-17N</b>	40°02'31.722"	109°27'22.526"	40°02'31.848"	109°27'20.060"	404' FNL
	40.042145°	109.456257°	40.042180°	109.455572°	512' FEL
<b>STAGECOACH UNIT 65-8F</b>	40°02'37.269"	109°27'35.441"	40°02'37.396"	109°27'32.975"	157' FSL
	40.043686°	109.459845°	40.043721°	109.459160°	1516' FEL
<b>STAGECOACH UNIT 79-8</b>	40°02'39.778"	109°27'37.624"	40°02'39.905"	109°27'35.157"	410' FSL
	40.044383°	109.460451°	40.044418°	109.459766°	1686' FEL
<b>CWU 828-9</b>	40°02'40.630"	109°27'08.138"	40°02'40.756"	109°27'05.672"	495' FSL
	40.044619°	109.452260°	40.044654°	109.451576°	608' FWL
<b>CWU 482-9F</b>	40°02'40.808"	109°27'04.009"	40°02'40.935"	109°27'01.544"	512' FSL
	40.044669°	109.451114°	40.044704°	109.450429°	929' FWL
<b>STAGECOACH UNIT 44-8N</b>	40°02'48.063"	109°27'25.416"	40°02'48.190"	109°27'22.950"	1250' FSL
	40.046684°	109.457060°	40.046719°	109.456375°	736' FEL
<b>CWU 590-16F</b>	40°02'30.617"	109°27'08.286"	40°02'30.744"	109°27'05.820"	518' FNL
	40.041838°	109.452302°	40.041873°	109.451617°	596' FWL

BASIS OF BEARINGS IS THE WEST LINE OF THE NW 1/4 OF SECTION 17, T9S, R22E, S.L.B.&M. WHICH IS TAKEN FROM GLOBAL POSITIONING SATELLITE OBSERVATIONS TO BEAR N00°02'16"W.



**Kerr-McGee Oil & Gas Onshore, LP**  
1099 18th Street - Denver, Colorado 80202

**WELL PAD - HOLDAWAY 922-17A3D SWD**

**WELL PAD INTERFERENCE PLAT**  
**HOLDAWAY 922-17A3D SWD**  
**LOCATED IN SECTION 17, T9S, R22E,**  
**S.L.B.&M., UTAH COUNTY, UTAH.**



**CONSULTING, LLC**  
371 Coffeen Avenue  
Sheridan WY 82801  
Phone 307-674-0609  
Fax 307-674-0182

**TIMBERLINE**

(435) 789-1365

**ENGINEERING & LAND SURVEYING, INC.**  
209 NORTH 300 WEST - VERNAL, UTAH 84078

DATE SURVEYED:  
03-24-10

SURVEYED BY: M.S.B.

SHEET NO:

DATE DRAWN:  
03-25-10

DRAWN BY: M.W.W.

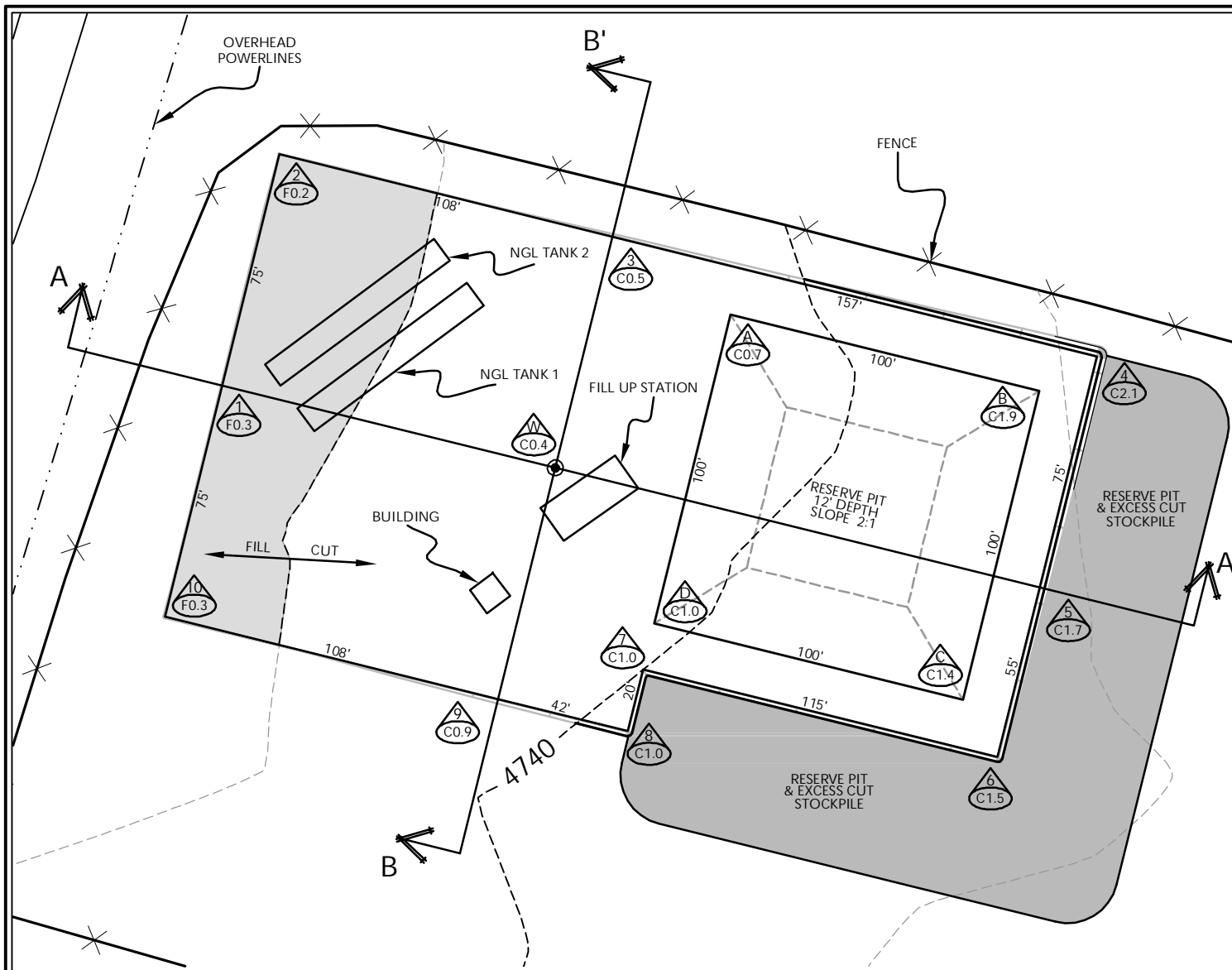
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SCALE: 1" = 60'

Date Last Revised:

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#### WELL PAD LEGEND

- WELL LOCATION
- - - EXISTING CONTOURS (1' INTERVAL)
- PROPOSED CONTOURS (1' INTERVAL)

#### WELL PAD QUANTITIES HOLDAWAY 922-17A3D SWD

EXISTING GRADE @ LOC. STAKE = 4739.4'  
FINISHED GRADE ELEVATION = 4739.0'  
CUT SLOPES = 1.5:1  
FILL SLOPES = 1.5:1

TOTAL CUT FOR WELL PAD = 1,009 C.Y.  
TOTAL FILL FOR WELL PAD = 38 C.Y.  
TOPSOIL @ 6" DEPTH = N/A  
EXCESS MATERIAL = 971 C.Y.  
TOTAL PAD DISTURBANCE = 0.89 ACRES  
SHRINKAGE FACTOR = 1.10  
SWELL FACTOR = 1.00  
RESERVE PIT CAPACITY (2' OF FREEBOARD)  
+/- 9,490 BARRELS  
RESERVE PIT VOLUME  
+/- 2,660 CY

Kerr-McGee Oil & Gas Onshore, LP  
1099 18th Street - Denver, Colorado 80202

WELL PAD - HOLDAWAY 922-17A3D SWD

WELL PAD - LOCATION LAYOUT  
HOLDAWAY 922-17A3D SWD  
LOCATED IN SECTION 17, T9S, R22E,  
S.L.B.&M., UTAH COUNTY, UTAH.



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Sheridan, WY 82801  
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Fax 307-674-0182

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(435) 789-1365

Scale: 1"=50'

Date: 4/7/10

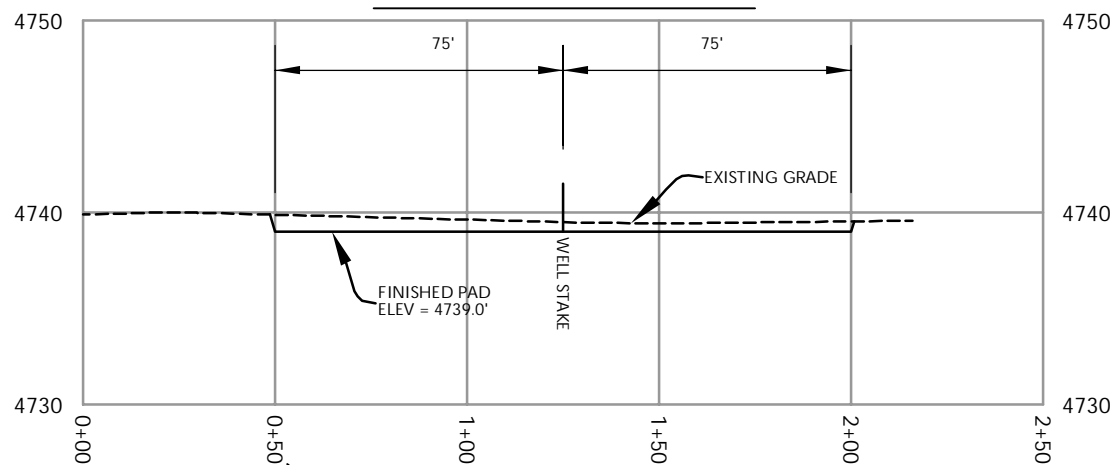
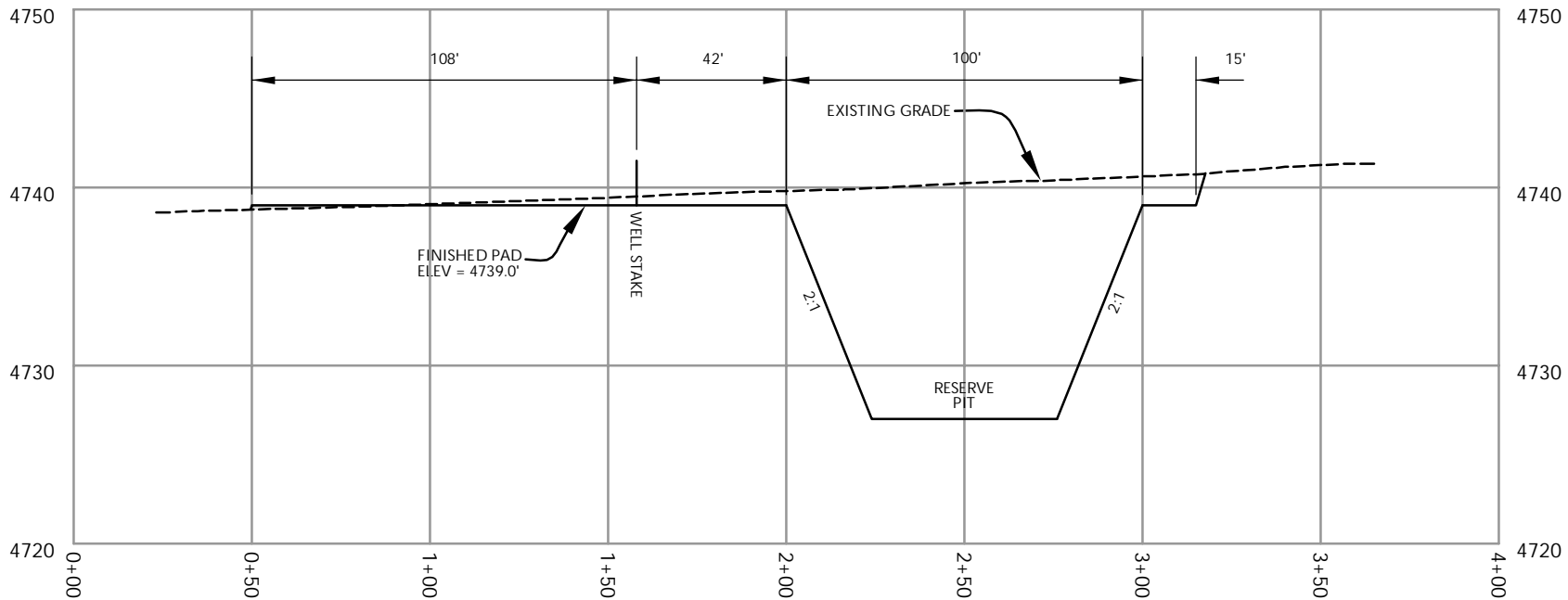
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HORIZONTAL 0 25 50 1" = 50'  
1' CONTOURS



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1099 18th Street - Denver, Colorado 80202

WELL PAD - HOLDAWAY 922-17A3D SWD

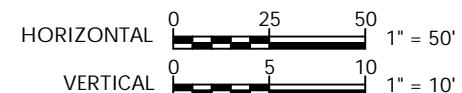
WELL PAD - CROSS SECTIONS  
HOLDAWAY 922-17A3D SWD  
LOCATED IN SECTION 17, T9S, R22E,  
S.L.B.&M., UTAH COUNTY, UTAH.



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Fax 307-674-0182

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Scale: 1"=100'	Date: 4/7/10	SHEET NO:
REVISED:		4 4 OF 11





PHOTO VIEW: FROM PIT CORNER D TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO VIEW: FROM EXISTING ACCESS ROAD

CAMERA ANGLE: SOUTHEASTERLY

**Kerr-McGee Oil & Gas Onshore, LP**  
1099 18th Street - Denver, Colorado 80202

**Well Pad - HOLDAWAY 922-17A3D SWD**

**HOLDAWAY 922-17A3D SWD  
LOCATION PHOTOS  
996' FNL, 694' FEL  
NE  $\frac{1}{4}$  NE  $\frac{1}{4}$  OF SECTION 17, T9S, R22E,  
S.L.B.&M., UINTAH COUNTY, UTAH.**



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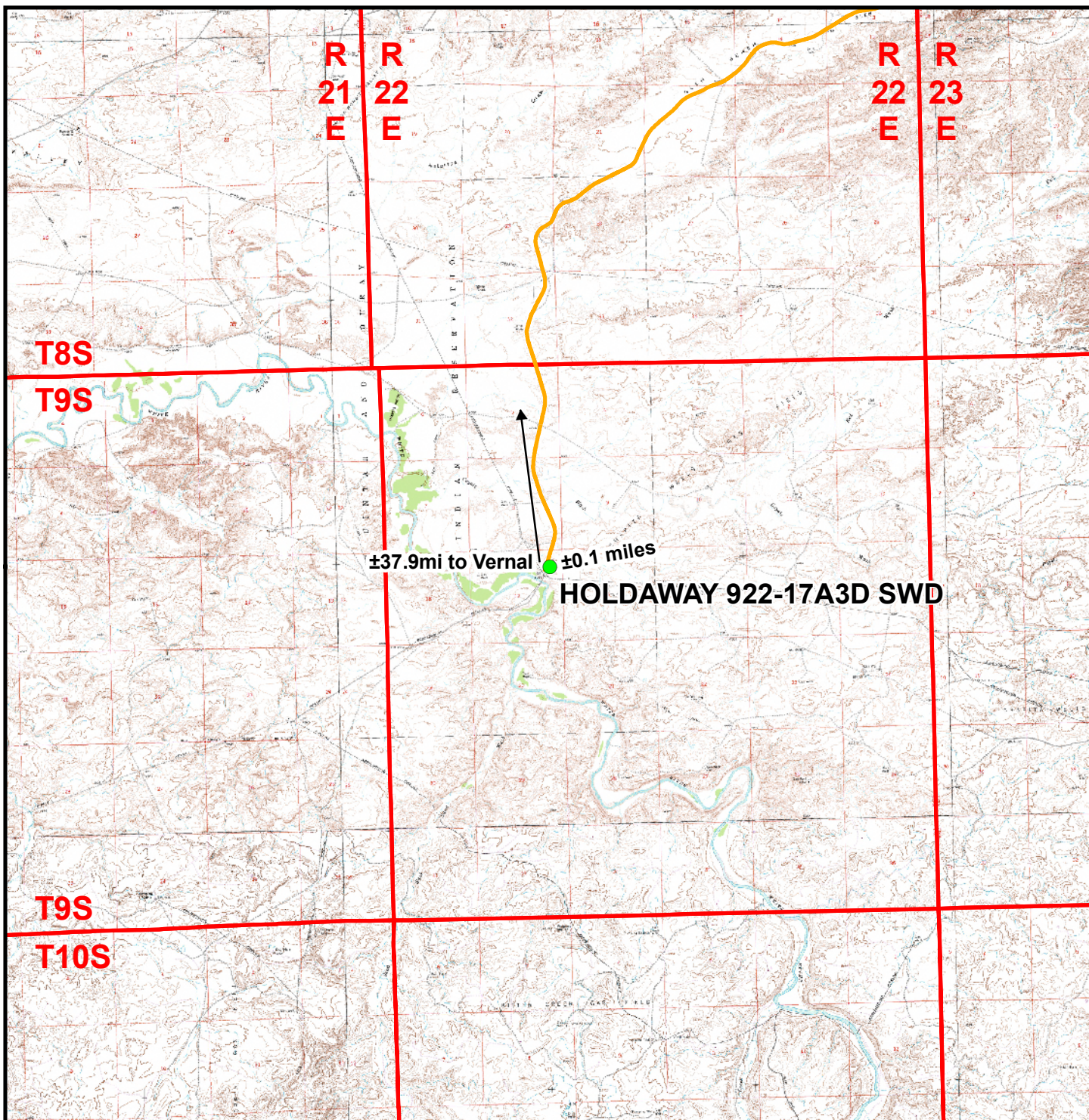
**TIMBERLINE**

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DATE PHOTOS TAKEN: 03-24-10	PHOTOS TAKEN BY: M.S.B.	<b>5</b> 5 OF 11
DATE DRAWN: 03-25-10	DRAWN BY: M.W.W.	
Date Last Revised:		





### Legend

- Proposed HOLDAWAY 922-17A3D SWD Well Location
- Access Route - Proposed

**Kerr-McGee Oil & Gas Onshore, LP**  
1099 18th Street, Denver, Colorado 80202

**WELL PAD - HOLDAWAY 922-17A3D SWD**

**HOLDAWAY 922-17A3D SWD  
TOPO A**

**LOCATED IN SECTION 17, T9S, R22E  
S.L.B.&M., UINTAH COUNTY, UTAH**



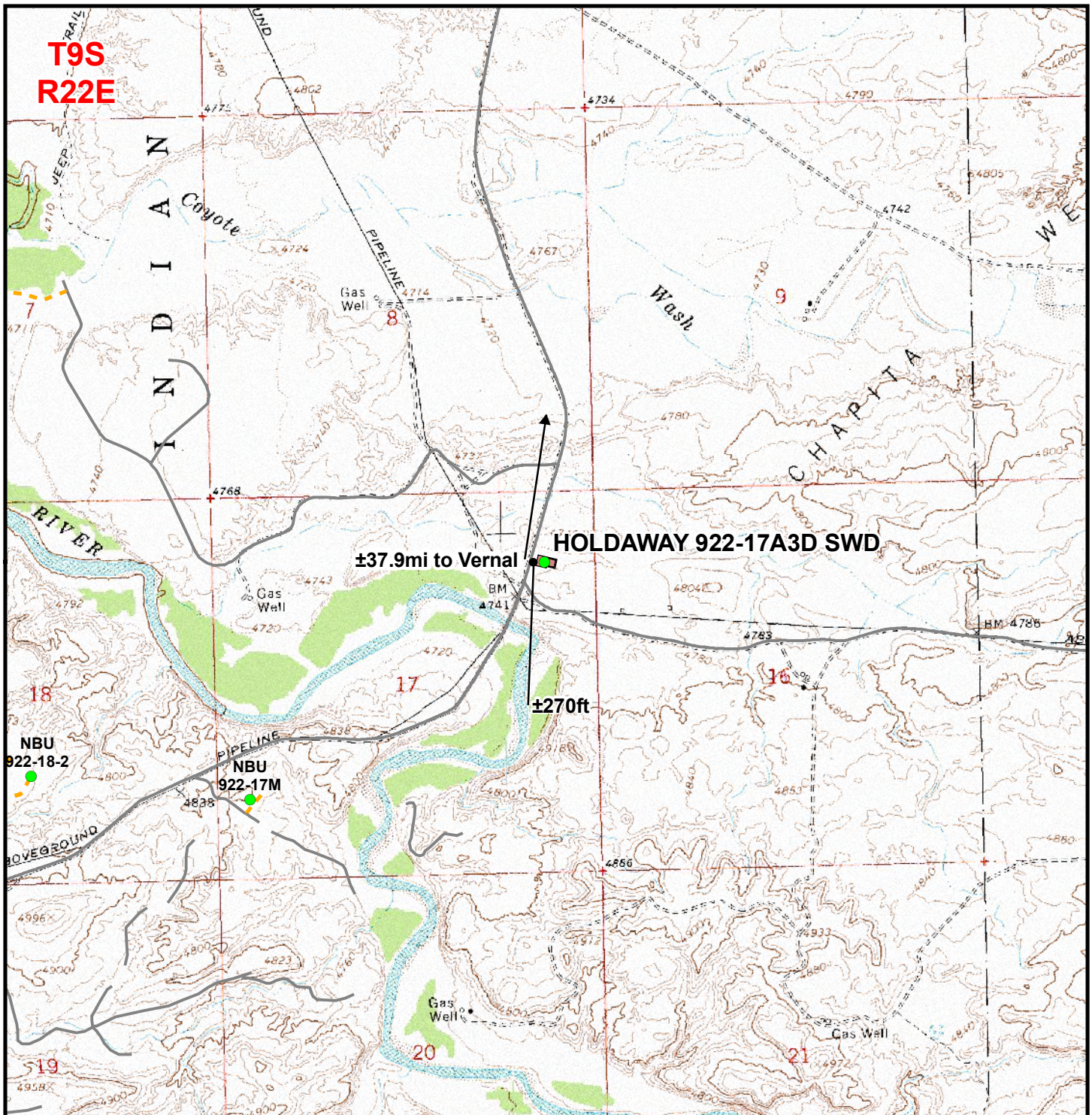
<b>Scale:</b> 1:100,000	<b>NAD83 USP Central</b>
<b>Drawn:</b> JELO	<b>Date:</b> 7 April 2010
<b>Revised:</b>	<b>Date:</b>

**Sheet No:**

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### Legend

Total Proposed Road Length: ±0ft

- Well - Proposed  
  Well Pad  
 --- Road - Proposed  
--- Road - Existing

**Kerr-McGee Oil & Gas Onshore, LP**  
1099 18th Street, Denver, Colorado 80202

WELL PAD - HOLDAWAY 922-17A3D SWD

**HOLDAWAY 922-17A3D SWD**  
**TOPO B**

**LOCATED IN SECTION 17, T9S, R22E  
S.L.B.&M., UINTAH COUNTY, UTAH**

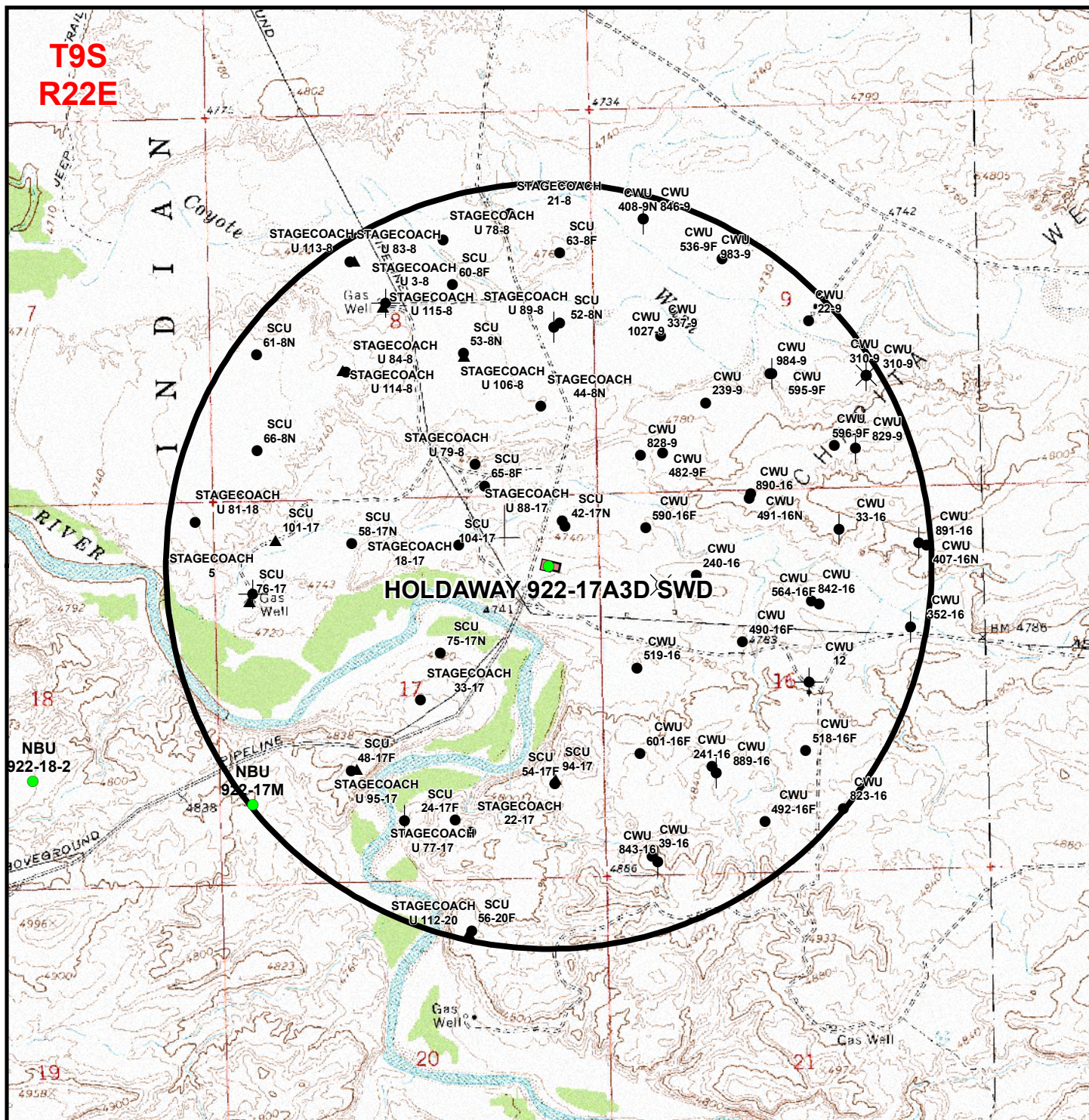


Scale: 1" = 2,000ft	NAD83 USP Central	Sheet No:
Drawn: JELO	Date: 7 April 2010	7
Revised:	Date:	

7

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### Legend

- Well - Proposed
- Well - 1 Mile Radius
- Producing
- ▲ Approved permit (APD); not yet spudded
- Spudded (Drilling commenced: Not yet comple
- ✕ Location Abandoned
- Shut-In
- Well Pad
- Temporarily-Abandoned
- Plugged and Abandoned

**Kerr-McGee Oil & Gas Onshore, LP**  
1099 18th Street, Denver, Colorado 80202

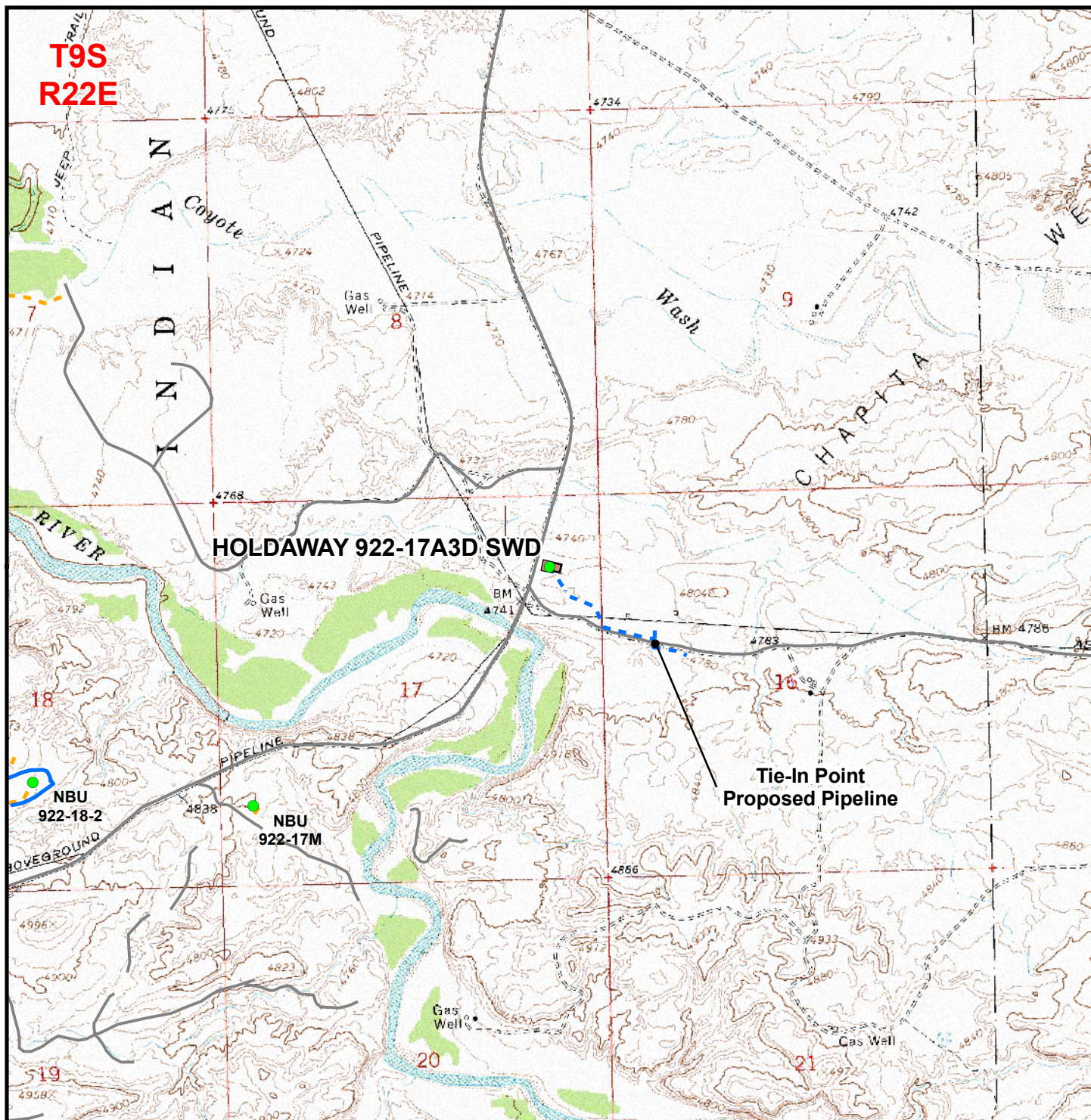
**WELL PAD - HOLDAWAY 922-17A3D SWD**

**HOLDAWAY 922-17A3D SWD**  
**TOPO C**  
**LOCATED IN SECTION 17, T9S, R22E**  
**S.L.B.&M., Uintah County, Utah**



Scale: 1" = 2,000ft | NAD83 USP Central | Sheet No:  
Drawn: JELO | Date: 7 April 2010 | **8**  
Revised: | Date: | 8 of 11





### Legend

- Well - Proposed
- Well Pad
- Water Pipeline - Proposed
- Road - Proposed
- Water Pipeline - Existing
- Road - Existing

Proposed Water Pipeline Length From Tie-In Point To Proposed Well Head:  $\pm 1,570$ ft

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1099 18th Street, Denver, Colorado 80202

**WELL PAD - HOLDAWAY 922-17A3D SWD**

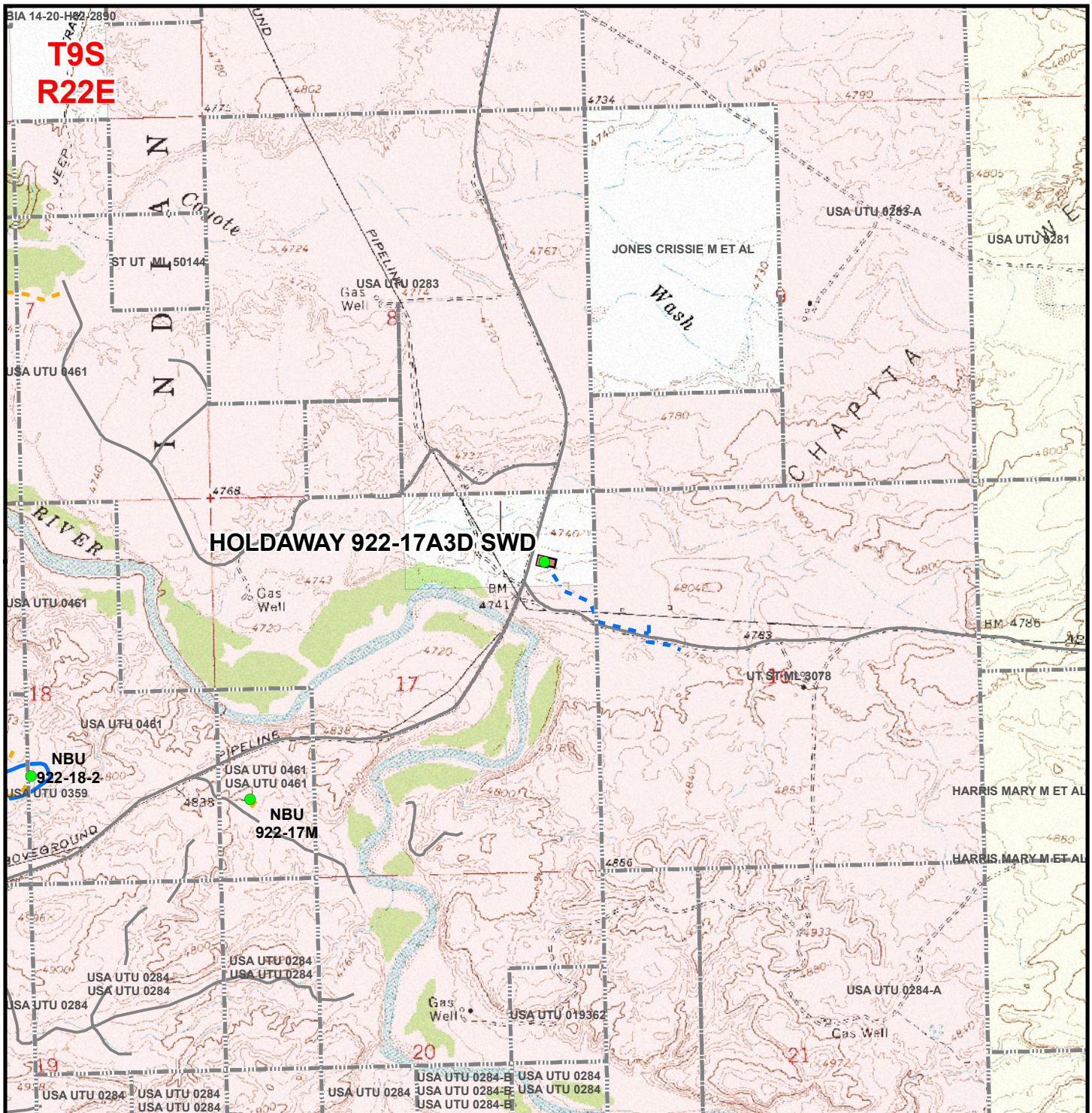
**HOLDAWAY 922-17A3D SWD**  
**TOPO D**

**LOCATED IN SECTION 17, T9S, R22E**  
**S.L.B.&M., UTAH COUNTY, UTAH**



Scale: 1" = 2,000ft	NAD83 USP Central	Sheet No:
Drawn: JELO	Date: 7 April 2010	<b>9</b> 9 of 11
Revised:	Date:	





### Legend

- Well - Proposed
- Well Pad
- Water Pipeline - Proposed
- Road - Proposed
- Bureau of Land Management
- State
- Lease Boundary
- Water Pipeline - Existing
- Road - Existing
- Indian Reservation
- Private

**HOLDAWAY 922-17A3D SWD - Distance To Nearest Lease Boundary: 694ft**

**Kerr-McGee Oil & Gas Onshore, LP**  
1099 18th Street, Denver, Colorado 80202

**WELL PAD - HOLDAWAY 922-17A3D SWD**

**HOLDAWAY 922-17A3D SWD  
TOPO E**

**LOCATED IN SECTION 17, T9S, R22E  
S.L.B.&M., UINTAH COUNTY, UTAH**

**609**  
**CONSULTING, LLC**  
371 Coffeen Avenue  
Sheridan, WY 82801  
Phone (307) 674-0609  
Fax (307) 674-0182



Scale: 1" = 2,000ft	NAD83 USP Central	Sheet No:
Drawn: JELO	Date: 7 April 2010	<b>10</b>
Revised:	Date:	10 of 11

**Kerr-McGee Oil & Gas Onshore, LP**  
**WELL PAD – HOLDAWAY 922-17A3D SWD**  
**Section 17, T9S, R22E, S.L.B.&M.**

From the intersection of U.S. Highway 40 and 500 East street in Vernal, Utah proceed in an easterly then southerly direction along U.S. Highway 40 approximately 3.3 miles to the junction of State Highway 45; exit right and proceed in a southerly direction along State Highway 45 approximately 20.2 miles to the junction of the Glen Bench Road (County B Road 3260). Exit right and proceed in a southwesterly direction along the Glen Bench Road approximately 14.4 miles to the existing access road. Exit left and proceed in a southeasterly then northeasterly direction along access road approximately 270 feet to the proposed well pad.

Total distance from Vernal, Utah to the proposed well location is approximately 38.0 miles in a southerly direction.

**Holdaway 922-17A3D SWD**

Surface: 996' FNL 694' FEL (NE/4NE/4)

Mineral Lease: Fee

Surface: Fee

Section 17 T9S R22E

Uintah, Utah

Operator: Kerr-McGee Oil & Gas Onshore LP

**ONSHORE ORDER NO. 1**

***MULTI-POINT SURFACE USE & OPERATIONS PLAN  
SUBMITTED WITH SITE-SPECIFIC INFORMATION***

**A. Existing Roads:**

- A) Refer to Topo Map A for directions to the location.
- B) Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

**B. Planned Access Roads:**

*See MDP for additional details on road construction.*

No new access road is proposed. Please refer to the attached Topo Map B. No pipelines will be crossed with the new construction.

*Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities will be determined at the on-site, if necessary and are typically shown on the attached Exhibits and Topo maps.*

**C. Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

**D. Location of Existing and Proposed Facilities:**

*See MDP for additional details on Existing and Proposed Facilities.*

*The following guidelines will apply if the well is productive.*

Approximately 1,570' ( $\pm 1.1$  miles) of 6" buried steel liquid line to transport water is proposed from the meter located on the well pad to the tie-in point located in the SW/4 NW/4 in Sec 16 T9S-R22E (see Topo D for specific tie in point).

The liquid gathering pipeline information is planned as follows:

Liquid Gathering Pipeline size: 6" buried pipeline

Liquid Gathering Pipeline material: Flex Steel



The 6" buried liquid line will be constructed utilizing existing disturbance when possible. The liquid line route will need a construction Right of Way of 45'. After construction the total liquid line disturbance width will be 30'. Where possible there will be no additional disturbance during construction, as the road will be utilized for construction vehicles.

The proposed trench for the liquid line would range from 18-48 inch and will be excavated to a depth of 48 to 60 inches of normal soil cover or 24 inches of cover in consolidated rock. The liquid line will be welded or zap locked along the proposed right-of-way and lowered into place. During construction blasting may occur along the proposed right-of-way when trenching equipment can not cut into the bedrock. Large debris and rocks removed from the earth during trenching and blasting that could not be returned to the trench would be distributed evenly and naturally in the project area. The 6" buried liquid line will be visually and radiographically inspected and the entire liquid line will be pneumatically tested before being placed into service.

Upon completion of the 6" liquid line the entire area of disturbance will be reclaimed to the standards proposed in the Green River District Reclamation Guidelines. Please refer to the MDP for more details regarding final reclamation. Pipeline signs will be installed along the right-of-way to indicate the liquid line proximity, ownership, and to provide emergency contact phone numbers. Above ground valves and lateral T's will be installed at various locations to connect the new line to existing facilities and/or for safety purposes. Kerr-McGee requests for a permanent 30' right-of-way that will be maintained for the portion following the road and the piece of cross country. The need for the 30' permanent right-of-way is for maintenance and repairs.

**E. Location and Type of Water Supply:**

*See MDP for additional details on Location and Type of Water Supply.*

Water for drilling purposes will be obtained using Desert Generation Permit number 49-225.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

**F. Source of Construction Materials:**

*See MDP for additional details on Source of Construction Materials.*

**G. Methods of Handling Waste Materials:**

*See MDP for additional details on Methods of Handling Waste Materials.*

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites:

RNI in Sec. 5 T9S R22E  
NBU #159 in Sec. 35 T9S R21E  
Ace Oilfield in Sec. 2 T6S R20E  
MC&MC in Sec. 12 T6S R19E  
Pipeline Facility in Sec. 36 T9S R20E  
Goat Pasture Evaporation Pond in SW/4 Sec. 16 T10S R22E  
Bonanza Evaporation Pond in Sec. 2 T10S R23E

**H. Ancillary Facilities:**

*See MDP for additional details on Ancillary Facilities.*

None are anticipated.

**I. Well Site Layout: (See Location Layout Diagram)**

*See MDP for additional details on Well Site Layout.*

All pits will be fenced according to the following minimum standards:

- Net wire (39-inch) will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.
- Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.
- All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

**J. Plans for Reclamation of the Surface:**

*See MDP for additional details on Plans for Reclamation of the Surface.*

**K. Mineral Ownership:**

Robert T. Holdaway  
10810 12<sup>th</sup> Avenue NE  
Seattle, Washington, 98125-6406

**Surface Ownership:**

Kerr-McGee Oil & Gas Onshore LP  
1099 18<sup>th</sup> Street, Suite 1800  
Denver, Colorado 80202-1918

**L. Other Information:**

*See MDP for additional details on Other Information.*



**M. Lessee's or Operators' Representative & Certification:**

Danielle Piernot  
Regulatory Analyst I  
Kerr-McGee Oil & Gas Onshore LP  
PO Box 173779  
Denver, CO 80217-3779  
(720) 929-6156

Tommy Thompson  
General Manager, Drilling  
Kerr-McGee Oil & Gas Onshore LP  
PO Box 173779  
Denver, CO 80217-3779  
(720) 929-6724

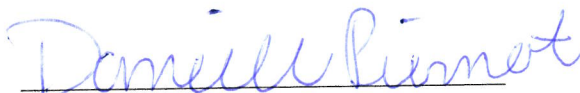
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond 22013542.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operation; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

  
Danielle Piernot

May 27, 2010  
Date



**INTERMOUNTAIN  
PALEO-CONSULTING**

**Stephen D. Sandau** *Paleontologist*

P. O. Box 1125  
Vernal, UT. 84078  
*Phone & Fax* (435) 789-7402  
*Cell:* (801) 592-4328  
*E-mail:* intermountainpaleo@yahoo.com

**IPC #10-45**

# **Paleontological Reconnaissance Survey Report**

**Survey of Kerr McGee's Proposed Well Pad for "Holdaway #922-17A3D  
SWD" and SWD Pipeline (Sec. 16 & 17, T 9 S, R 22 E)**

**Red Wash SW Topographic Quadrangle  
Uintah County, Utah**

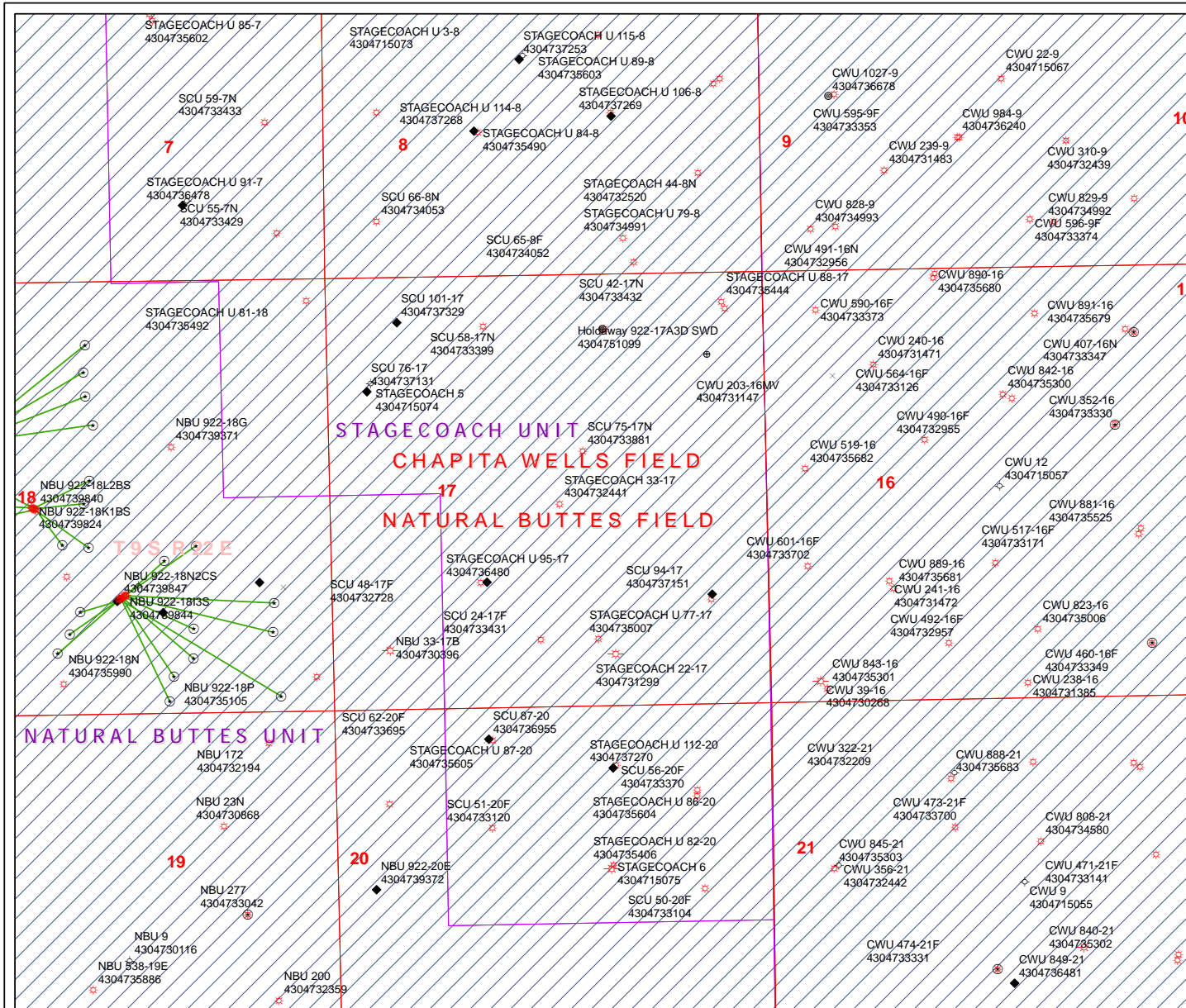
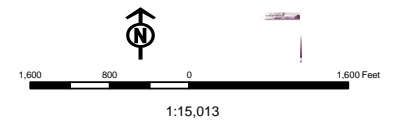
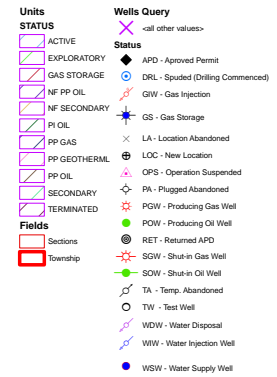


**May 17, 2010**

**Prepared by Stephen D. Sandau  
Paleontologist for  
Intermountain Paleo-Consulting  
P. O. Box 1125  
Vernal, Utah 84078**

API Number: 4304751099  
Well Name: Holdaway 922-17A3D SWD  
Township 09.0 S Range 22.0 E Section 17  
Meridian: SLBM  
Operator: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Map Prepared:  
Map Produced by Diana Mason



Well Name	KERR-MCGEE OIL & GAS ONSHORE, L.P. Holdaway 922-17A3D SWD 43			
String	Cond	Surf		
Casing Size(")	14.000	7.000		
Setting Depth (TVD)	40	1842		
Previous Shoe Setting Depth (TVD)	0	40		
Max Mud Weight (ppg)	8.4	8.4		
BOPE Proposed (psi)	0	500		
Casing Internal Yield (psi)	5620	4360		
Operators Max Anticipated Pressure (psi)	798	8.3		

Calculations	Cond String	14.000	"
Max BHP (psi)	.052*Setting Depth*MW=	17	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	12	NO Air hammer drill
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	8	NO OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	8	NO
Required Casing/BOPE Test Pressure=		40	psi
*Max Pressure Allowed @ Previous Casing Shoe=		0	psi *Assumes 1psi/ft frac gradient

Calculations	Surf String	7.000	"
Max BHP (psi)	.052*Setting Depth*MW=	805	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	584	NO air hammer drill, MAP estimated
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	400	YES OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	409	NO Reasonable
Required Casing/BOPE Test Pressure=		500	psi
*Max Pressure Allowed @ Previous Casing Shoe=		40	psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

# 43047510990000 Holdaway 922-17A3D SWD

Andy Lytle  
Rob Miller 435-781-7041

## Casing Schematic

Surface

14"  
MW 8.4

TOC @  
Conductor  
40. MD

200' ± BMSW

✓ Stip cont & quality

TOC @  
451. MD

to surf @ 7% w/o, tail 102x

\* Stip —

1237' tail

1485' Parachute Cr.

1635' Green River

Base of Upper Confining

7"  
MW 8.4  
Frac 19.3

Surface  
1842. MD

open hole

6 1/4"

2120' TD top of Lower Confining Layer

Well name:	<b>43047510990000 Holdaway 922-17A3D SWD</b>		
Operator:	<b>KERR-MCGEE OIL &amp; GAS ONSHORE, L.P.</b>		
String type:	Surface	Project ID:	43-047-51099
Location:	UINTAH	COUNTY	

**Design parameters:****Collapse**

Mud weight: 8.400 ppg  
Design is based on evacuated pipe.

**Minimum design factors:****Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
Surface temperature: 74 °F  
Bottom hole temperature: 100 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 100 ft

Cement top: 451 ft

**Burst**

Max anticipated surface pressure: 583 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 804 psi

No backup mud specified.

**Tension:**

8 Round STC: 1.80 (J)  
8 Round LTC: 1.80 (J)  
Buttress: 1.60 (J)  
Premium: 1.50 (J)  
Body yield: 1.60 (B)

Tension is based on air weight.

Neutral point: 1,609 ft

**Non-directional string.****Re subsequent strings:**

Next setting depth: 1,842 ft  
Next mud weight: 8.400 ppg  
Next setting BHP: 804 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 1,842 ft  
Injection pressure: 1,842 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	1842	7	23.00	J-55	LT&C	1842	1842	6.25	9665

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	804	3270	4.068	804	4360	5.42	42.4	313	7.39 J

Prepared by: Helen Sadik-Macdonald  
Div of Oil, Gas & Mining

Phone: 801 538-5357  
FAX: 801-359-3940

Date: August 9, 2010  
Salt Lake City, Utah

**Remarks:**

Collapse is based on a vertical depth of 1842 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

# **ON-SITE PREDRILL EVALUATION**

## **Utah Division of Oil, Gas and Mining**

<b>Operator</b>	KERR-MCGEE OIL & GAS ONSHORE, L.P.				
<b>Well Name</b>	Holdaway 922-17A3D SWD				
<b>API Number</b>	43047510990000	<b>APD No</b>	2695	<b>Field/Unit</b>	NATURAL BUTTES
<b>Location: 1/4,1/4</b>	NENE	<b>Sec</b>	17	<b>Tw</b>	9.0S Rng 22.0E 996 FNL 694 FEL
<b>GPS Coord (UTM)</b>	<b>Surface Owner</b> Kerr-McGee Oil & Gas Onshore LP				

### **Participants**

Floyd Bartlett (DOGM), Shelia Wopsock, Lovell Young, Ron Bayless, Lance Morton (Kerr McGee), Mitch Batty (Timberline Engineering and Land Surveying).

### **Regional/Local Setting & Topography**

The Holdaway 922-17A3D SWD well is proposed to be drilled with an air-hammer drilling rig to a depth of 2,120 feet. The site is within the area currently used as a gas compressor station. All of the significant facilities of the Bridge Compressor Station are planned to be dismantled and moved, primarily to the Chapita Compressor site. Changes are planned to the Well Pad-Location Layout as included in the APD. A reserve pit may not be used. Metal tanks may be utilized to catch the drill cuttings and blow-out dirt from the hole. If a reserve pit is used it will be significantly reduced in size. Only the portion of the site that will be leveled will be that to be occupied by the air rig.

Kerr McGee owns the surface. Immediately outside and south of the fenced area the lands are owned by the United States Government and held in trust for the Ute Indian Tribe. The White River is approximately 1/10 mile to the south and Coyote Wash less than ¼ mile to the west. Produced water will be delivered to the site by a 6-inch pipeline. Storage tanks may be placed on the site. If so they need to be bermed to contain 1 ½ the volume of the tanks.

### **Surface Use Plan**

#### **Current Surface Use**

Existing Well Pad  
Industrial

<b>New Road Miles</b>	<b>Well Pad</b>	<b>Src Const Material</b>	<b>Surface Formation</b>
0	<b>Width Length</b>		

#### **Ancillary Facilities**

### **Waste Management Plan Adequate?**

### **Environmental Parameters**

**Affected Floodplains and/or Wetlands** N

**Flora / Fauna**

**Soil Type and Characteristics**

**Erosion Issues** N

**Sedimentation Issues** N

**Site Stability Issues** N

**Drainage Diversion Required?** N

**Berm Required?** N

**Erosion Sedimentation Control Required?** N

**Paleo Survey Run?** N **Paleo Potential Observed?** N **Cultural Survey Run?** N **Cultural Resources?** N

**Reserve Pit**

Site-Specific Factors		Site Ranking
<b>Distance to Groundwater (feet)</b>	25 to 75	15
<b>Distance to Surface Water (feet)</b>	300 to 1000	2
<b>Dist. Nearest Municipal Well (ft)</b>	>5280	0
<b>Distance to Other Wells (feet)</b>	>1320	0
<b>Native Soil Type</b>	Mod permeability	10
<b>Fluid Type</b>	Air/mist	0
<b>Drill Cuttings</b>	Normal Rock	0
<b>Annual Precipitation (inches)</b>		0
<b>Affected Populations</b>		
<b>Presence Nearby Utility Conduits</b>	Present	15
	<b>Final Score</b>	42
		1 Sensitivity Level

**Characteristics / Requirements**

A reserve pit may not be used. Metal tanks may be utilized to catch the drill cuttings and blow-out dirt from the hole. If a reserve pit is used it will be significantly reduced in size.

**Closed Loop Mud Required?** N **Liner Required?** Y **Liner Thickness** 20 **Pit Underlayment Required?** Y

**Other Observations / Comments**

Floyd Bartlett  
**Evaluator**

6/14/2010  
**Date / Time**



# Application for Permit to Drill

## Statement of Basis

8/24/2010

Utah Division of Oil, Gas and Mining

Page 1

<b>APD No</b>	<b>API WellNo</b>	<b>Status</b>	<b>Well Type</b>	<b>Surf Owner</b>	<b>CBM</b>
2695	43047510990000	LOCKED	WD	P	No
<b>Operator</b>	KERR-MCGEE OIL & GAS ONSHORE, L.P.		<b>Surface Owner-APD</b>	Kerr-McGee Oil & Gas Onshore LP	
<b>Well Name</b>	Holdaway 922-17A3D SWD		<b>Unit</b>		
<b>Field</b>	NATURAL BUTTES		<b>Type of Work</b>	DRILL	
<b>Location</b>	NENE 17 9S 22E S 996 FNL 694 FEL GPS Coord (UTM) 631709E 4433190N				

**Geologic Statement of Basis**

Kerr McGee proposes to set 1,842 of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 200'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. The proposed casing and cement should adequately protect any usable ground water.

Brad Hill  
APD Evaluator

7/6/2010  
Date / Time

**Surface Statement of Basis**

The Holdaway 922-17A3D SWD well is proposed to be drilled with an air-hammer drilling rig to a depth of 2,120 feet. The site is within the area currently used as a gas compressor station. All of the significant facilities of the Bridge Compressor Station are planned to be dismantled and moved, primarily to the Chapita Compressor site. Changes are planned to the Well Pad-Location Layout as included in the APD. A reserve pit may not be used. Metal tanks may be utilized to catch the drill cuttings and blow-out dirt from the hole. If a reserve pit is used it will be significantly reduced in size. Only the portion of the site that will be leveled will be that to be occupied by the air rig.

Kerr McGee owns the surface. Immediately outside and south of the fenced area the lands are owned by the United States Government and held in trust for the Ute Indian Tribe. The White River is approximately 1/10 mile to the south and Coyote Wash less than 1/4 mile to the west. Produced water will be delivered to the site by a 6-inch pipeline. Storage tanks may be placed on the site. If so they need to be bermed to contain 1 1/2 the volume of the tanks.

Floyd Bartlett  
Onsite Evaluator

6/14/2010  
Date / Time

**Conditions of Approval / Application for Permit to Drill**

<b>Category</b>	<b>Condition</b>
Pits	A synthetic liner with a minimum thickness of 20 mils with a felt subliner shall be properly installed and maintained in the reserve pit if one is used.
Surface	The well site/on-site storage facilities shall be bermed to prevent fluids from leaving the site.

# WORKSHEET

## APPLICATION FOR PERMIT TO DRILL

**APD RECEIVED:** 5/27/2010

**API NO. ASSIGNED:** 43047510990000

**WELL NAME:** Holdaway 922-17A3D SWD

**OPERATOR:** KERR-MCGEE OIL & GAS ONSHORE, L.P. (N2995)

**PHONE NUMBER:** 720 929-6156

**CONTACT:** Danielle Piernot

**PROPOSED LOCATION:** NENE 17 090S 220E

**Permit Tech Review:** ☒

**SURFACE:** 0996 FNL 0694 FEL

**Engineering Review:** ☒

**BOTTOM:** 0996 FNL 0694 FEL

**Geology Review:** ☒

**COUNTY:** UINTAH

**LATITUDE:** 40.04056

**LONGITUDE:** -109.45617

**UTM SURF EASTINGS:** 631709.00

**NORTHINGS:** 4433190.00

**FIELD NAME:** NATURAL BUTTES

**LEASE TYPE:** 4 - Fee

**LEASE NUMBER:** Fee

**PROPOSED PRODUCING FORMATION(S):** MAHOGANY BENCH

**SURFACE OWNER:** 4 - Fee

**COALBED METHANE:** NO

### RECEIVED AND/OR REVIEWED:

- ☒ **PLAT**
- ☒ **Bond:** STATE/FEE - 22013542
- ☐ **Potash**
- ☐ **Oil Shale 190-5**
- ☐ **Oil Shale 190-3**
- ☐ **Oil Shale 190-13**
- ☒ **Water Permit:** Permit #43-8496
- ☐ **RDCC Review:**
- ☐ **Fee Surface Agreement**
- ☐ **Intent to Commingle**

**Commingle Approved**

### LOCATION AND SITING:

- ☐ **R649-2-3.**
- Unit:**
- ☐ **R649-3-2. General**
- ☐ **R649-3-3. Exception**
- ☒ **Drilling Unit**
- Board Cause No:** Cause 179-8
- Effective Date:** 8/10/1999
- Siting:** Suspends General Siting
- ☐ **R649-3-11. Directional Drill**

**Comments:** Presite Completed

**Stipulations:** 5 - Statement of Basis - bhill  
9 - Cement casing to Surface - hmacdonald



## State of Utah

### DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

#### Division of Oil, Gas and Mining

JOHN R. BAZA  
*Division Director*

## Permit To Drill

\*\*\*\*\*

**Well Name:** Holdaway 922-17A3D SWD

**API Well Number:** 43047510990000

**Lease Number:** Fee

**Surface Owner:** FEE (PRIVATE)

**Approval Date:** 8/24/2010

#### Issued to:

KERR-MCGEE OIL & GAS ONSHORE, L.P., P.O. Box 173779, Denver, CO 80217

#### Authority:

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 179-8. The expected producing formation or pool is the MAHOGANY BENCH Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

#### Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

#### General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

#### Conditions of Approval:

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

The cement volumes for the 7" casing shall be determined from actual hole conditions and the setting depth of the casing in order to place cement from the pipe setting depth back to the surface. >>> Light cement through ground water zone may not be adequate to protect aquifer.

#### Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan – contact Dustin Doucet
- Significant plug back of the well – contact Dustin Doucet
- Plug and abandonment of the well – contact Dustin Doucet

#### Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well – contact Carol Daniels  
OR  
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <https://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program – contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well – contact Dan Jarvis

**Contact Information:**

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office  
801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office  
801-231-8956 - after office hours

**Reporting Requirements:**

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

**Approved By:**



Acting Associate Director, Oil & Gas

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> Fee
<b>1. TYPE OF WELL</b> Water Disposal Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.		<b>7. UNIT or CA AGREEMENT NAME:</b>
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		<b>8. WELL NAME and NUMBER:</b> HOLDAWAY 922-17A3D SWD
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0996 FNL 0694 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENE Section: 17 Township: 09.0S Range: 22.0E Meridian: S		<b>9. API NUMBER:</b> 43047510990000
<b>PHONE NUMBER:</b> 720 929-6515 Ext		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UINTAH		<b>STATE:</b> UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 7/12/2011	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> <b>APD EXTENSION</b> OTHER: <span style="border: 1px solid black; display: inline-block; width: 100px; height: 15px;"></span>
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:			
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:			
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
  
 Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 07/12/2011

By:

<b>NAME (PLEASE PRINT)</b> Gina Becker	<b>PHONE NUMBER</b> 720 929-6086	<b>TITLE</b> Regulatory Analyst II
<b>SIGNATURE</b> N/A	<b>DATE</b> 7/12/2011	



## The Utah Division of Oil, Gas, and Mining

- State of Utah  
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

### Request for Permit Extension Validation Well Number 43047510990000

**API:** 43047510990000

**Well Name:** HOLDAWAY 922-17A3D SWD

**Location:** 0996 FNL 0694 FEL QTR NENE SEC 17 TWNP 090S RNG 220E MER S

**Company Permit Issued to:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

**Date Original Permit Issued:** 8/24/2010

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☐ Yes ☒ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

**Signature:** Gina Becker

**Date:** 7/12/2011

**Title:** Regulatory Analyst II **Representing:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

**RECEIVED** Jul. 12, 2011

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
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<b>PHONE NUMBER:</b> 720 929-6516		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UTAH		<b>STATE:</b> UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: <b>8/24/2012</b>  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE   <input type="checkbox"/> CHANGE TO PREVIOUS PLANS   <input type="checkbox"/> CHANGE WELL STATUS   <input type="checkbox"/> DEEPEN   <input type="checkbox"/> OPERATOR CHANGE   <input type="checkbox"/> PRODUCTION START OR RESUME   <input type="checkbox"/> REPERFORATE CURRENT FORMATION   <input type="checkbox"/> TUBING REPAIR   <input type="checkbox"/> WATER SHUTOFF   <input type="checkbox"/> WILDCAT WELL DETERMINATION         </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING   <input type="checkbox"/> CHANGE TUBING   <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS   <input type="checkbox"/> FRACTURE TREAT   <input type="checkbox"/> PLUG AND ABANDON   <input type="checkbox"/> RECLAMATION OF WELL SITE   <input type="checkbox"/> SIDETRACK TO REPAIR WELL   <input type="checkbox"/> VENT OR FLARE   <input type="checkbox"/> SI TA STATUS EXTENSION   <input type="checkbox"/> OTHER         </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR   <input type="checkbox"/> CHANGE WELL NAME   <input type="checkbox"/> CONVERT WELL TYPE   <input type="checkbox"/> NEW CONSTRUCTION   <input type="checkbox"/> PLUG BACK   <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION   <input type="checkbox"/> TEMPORARY ABANDON   <input type="checkbox"/> WATER DISPOSAL   <input checked="" type="checkbox"/> <b>APD EXTENSION</b>           OTHER: <input style="width: 100%;" type="text"/> </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.		
<b>Approved by the Utah Division of Oil, Gas and Mining</b>  <b>Date:</b> August 28, 2012  <b>By:</b>		
<b>NAME (PLEASE PRINT)</b> Danielle Piernot		<b>PHONE NUMBER</b> 720 929-6156
<b>SIGNATURE</b> N/A		<b>TITLE</b> Regulatory Analyst
<b>DATE</b> 8/23/2012		



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

**Request for Permit Extension Validation Well Number 43047510990000**

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Signature: Danielle Piernot

Date: 8/23/2012

Title: Regulatory Analyst Representing: KERR-MCGEE OIL & GAS ONSHORE, L.P.

**RECEIVED: Aug. 23, 2012**





GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

September 16, 2013

Kerr-McGee Oil & Gas Onshore, L.P.  
P.O. Box 173779 1099 18<sup>TH</sup> Street, Ste. 600  
Denver, CO 80217

Re: APD Rescinded – Holdaway 922-17A3D SWD, Sec. 17, T. 9S, R. 22E,  
Uintah County, Utah, API No. 43-047-51099

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on August 24, 2010. On July 12, 2011 and August 28, 2012 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective September 16, 2013.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason  
Environmental Scientist

cc: Well File  
Brad Hill, Technical Service Manager